

## Message Text

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44

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-07 FRB-03 INR-07 IO-11 NEA-10 NSAE-00 OPIC-03

SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01 INT-05

PA-01 PRS-01 USIA-06 /089 W

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R 231222Z FEB 76

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 582

INFO ALL EC CAPITALS 1722

AMCONGEN DUSSELDORF

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E.O. 11652: N/A

TAGS: EIND, ETRD, EEC

SUBJECT: PROPOSED INTERNATIONAL STEEL FEDERATION

REF: DUSSELDORF 130

1. THE EC COMMISSION IN A PRESS RELEASE ON FEBRUARY 19 ISSUED A WARNING TO THE GERMAN, BELGIAN, DUTCH AND LUXEMBOURG STEEL FIRMS WHO RECENTLY ANNOUNCED THEIR INTENTION TO FORM AN INTERNATIONAL STEEL PRODUCERS ASSOCIATION FOR THE PURPOSES OF (A) REPRESENTING THE MEMBERS' INTERESTS BEFORE THE EC COMMISSION ON POLICY MATTERS AND (B) ENTERING INTO PRODUCTION RATIONALIZATION AGREEMENTS (SEE REFTEL). THE PRESS RELEASE NOTES THE FIRMS REPRESENT AROUND 45 PERCENT OF EC STEEL PRODUCTION AND STATES THAT ALTHOUGH THE RIGHT OF FIRMS TO CONSTITUTE ASSOCIATIONS IS NOT AFFECTED BY THE PARIS TREATY, SUCH ASSOCIATION MAY NOT EXERCISE ACTIVITIES WHICH WOULD BE INCOMPATIBLE WITH TREATY PRINCIPLES. IT ALSO POINTS OUT THAT WITHOUT PRIOR COMMISSION APPROVAL, ALL ASSOCIATIONS OF ENTERPRISES WHICH TEND TO RESTRAIN OR DISTORT COMPETITION ARE ILLEGAL.

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2. A COMMISSION OFFICIAL TOLD US THAT UNDER PARIS TREATY

ARTICLE 48 FIRMS HAVE THE RIGHT TO FORM ASSOCIATIONS TO  
REPRESENT THEIR INTERESTS BUT THEY MAY NOT, HOWEVER, ENGAGE  
IN ACTIVITY CONTRARY TO THE TREATY. ARTICLE 65 OF THE PARIS  
TREATY (AGREEMENTS AND CONCENTRATIONS) FORBIDS AGREEMENTS IN  
RESTRAINT OF TRADE UNLESS AUTHORIZED BY THE COMMISSION UNDER  
ARTICLE 65(2) IF SUCH AGREEMENTS SATISFY CERTAIN CONDITIONS.  
OUR CONTACT TOLD US THAT THE COMMISSION THOUGHT IT USEFUL  
TO GIVE A WARNING AS SEVERAL MEMBER STATES HAVE COMPLAINED  
TO THE COMMISSION ABOUT THE PROPOSED ASSOCIATION, AND THE HIGH  
PERCENTAGE OF EC STEEL PRODUCTION THAT IS CONTROLLED BY THE  
PROPOSED ASSOCIATION GIVES THE COMMISSION CONSIDERABLE CONCERN.  
THE FIRMS HAVE NOT YET PRESENTED THEIR REQUEST TO THE COM-  
MISSION FOR ITS AUTHORIZATION FOR SPECIALIZATION AGREEMENTS.  
HINTON

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TREATY COMPLIANCE, REGIONAL ORGANIZATIONS, PRESS RELEASES, BUSINESS FIRMS, ESTABLISHMENT OF OFFICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ECBRU01789  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Film Number:** D760067-0754  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 75  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**Subject:** PROPOSED INTERNATIONAL STEEL FEDERATION  
**TAGS:** EIND, ETRD, BE, LU, NL, GE, EEC, INTERNATIONAL STEEL FEDERATION  
**To:** STATE  
**Type:** TE  
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